No. 7746

GREECE
and
FRANCE

Convention for the avoidance of double taxation and the establishment of rules of reciprocal administrative assistance with respect to taxes on income. Signed at Athens, on 21 August 1963

Official text: French.

Registered by Greece on 10 May 1965.

GRÈCE
et
FRANCE

Convention tendant à éviter les doubles impositions et à établir des règles d'assistance administrative réciproque en matière d'impôts sur le revenu. Signée à Athènes, le 21 août 1963

Texte officiel français.

Enregistrée par la Grèce le 10 mai 1965.

[TRANSLATION — TRADUCTION]

No. 7746. CONVENTION[1] BETWEEN GREECE AND FRANCE FOR THE AVOIDANCE OF DOUBLE TAXATION AND THE ESTABLISHMENT OF RULES OF RECIPROCAL ADMINISTRATIVE ASSISTANCE WITH RESPECT TO TAXES ON INCOME. SIGNED AT ATHENS, ON 21 AUGUST 1963

His Majesty the King of the Hellenes and the President of the French Republic, desiring to avoid double taxation so far as is possible and to establish rules of reciprocal administrative assistance with respect to taxes on income, have decided to conclude a Convention and have for that purpose appointed as their plenipotentiaries :

His Majesty the King of the Hellenes :

His Excellency Mr. Panayotis Pipinelis, Prime Minister and Minister for Foreign Affairs ;

The President of the French Republic :

His Excellency Mr. Guy de Girard de Charbonières, Ambassador Extraordinary and Plenipotentiary at Athens,

who, having communicated to each other their full powers, found in good and due form, have agreed on the following provisions :

Article 1

1. This Convention shall apply to taxes on income imposed on behalf of each Contracting State or of its political sub-divisions or local authorities, irrespective of the manner in which they are levied.

The term "taxes on income" shall be deemed to mean all taxes imposed on total income or on elements of income, including taxes on capital appreciation.

2. The purpose of this Convention is to avoid double taxation such as might result, for the residents of either Contracting Party, from the simultaneous or successive imposition in either State of the taxes referred to in paragraph 1.

3. The existing taxes to which this Convention shall apply in each Contracting State are :

[1] Came into force on 31 January 1965, one month after the exchange of the instruments of ratification, which took place at Athens on 31 December 1964, in accordance with article 30.

A. In the case of France :

(*a*) The tax on the income of individuals (*l'impôt sur le revenu des personnes physiques*) ;

(*b*) The supplementary tax (*la taxe complémentaire*) ;

(*c*) The tax on the profits of companies and other bodies corporate (*l'impôt sur les bénéfices des sociétés et autres personnes morales*).

B. In the case of Greece :

The single income tax on individuals and bodies corporate.

4. The Convention shall also apply to any identical or similar taxes which may subsequently be imposed in addition to or in place of the existing taxes. At the beginning of each year, the competent authorities of the Contracting States shall notify each other of any changes made in their respective taxation laws during the preceding year.

5. It is agreed that if the taxation laws of either Contracting State are amended in a manner substantially affecting the nature or character of the taxes referred to in paragraph 3 of this article, the competent authorities of the two States shall enter into consultation in order to determine what changes may have to be made in this Convention.

Article 2

In this Convention :

1. The term "France" means Metropolitan France and the overseas departments (Guadeloupe, Guiana, Martinique and Réunion).

The term "Greece" means the territories of the Kingdom of Greece.

2. The term "person" means :

(*a*) Any individual ;
(*b*) Any body corporate ;
(*c*) Any unincorporated body of individuals.

3. (*a*) The term "resident of a Contracting State" means any person who, under the law of the State in question, is liable to taxation therein by reason of his domicile, residence, place of management or any other similar criterion.

(*b*) Where, under the terms of paragraph 1 above, an individual is a resident of both Contracting States, the case shall be dealt with in accordance with the following rules :

(*aa*) He shall be deemed to be a resident of the Contracting State in which he has a permanent home available to him. If he has a permanent home available to him in both Contracting States, he shall be deemed to be a resident of the

Contracting State with which his personal and economic relations are closest (centre of vital interests).

(*bb*) If the Contracting State in which he has his centre of vital interests cannot be determined, or if he had no permanent home available to him in either Contracting State, he shall be deemed to be a resident of the Contracting State in which he has an habitual abode.

(*cc*) If he has an habitual abode in both Contracting States or in neither of them, he shall be deemed to be a resident of the Contracting State of which he is a national.

(*dd*) If he is a national of both Contracting States or of neither of them, the competent authorities of the Contracting States shall determine the question by agreement.

(*c*) Where, under the terms of paragraph 1 above, a body corporate is a resident of both Contracting States, it shall be deemed to be a resident of the Contracting State in which its place of actual management is situated. The same shall apply to partnerships and associations which are not bodies corporate under the national laws by which they are governed.

4. The term "permanent establishment" means a fixed place of business in which the business of an enterprise is wholly or partly carried on.

(*a*) A permanent establishment shall include especially :

(*aa*) A place of management ;

(*bb*) A branch ;

(*cc*) An office ;

(*dd*) A factory ;

(*ee*) A workshop ;

(*ff*) A mine, quarry or other place of extraction of natural resources ;

(*gg*) A building site or assembly project of more than twelve months' duration.

(*b*) The term "permanent establishment" shall not be deemed to include :

(*aa*) The use of facilities solely for the purpose of storage, display or delivery of goods or merchandise belonging to the enterprise ;

(*bb*) The maintenance of a stock of goods or merchandise belonging to the enterprise solely for the purpose of storage, display or delivery ;

(*cc*) The maintenance of a stock of goods or merchandise belonging to the enterprise solely for the purpose of processing by another enterprise ;

(*dd*) The maintenance of a fixed place of business solely for the purpose of purchasing goods or merchandise or for collecting information for the enterprise ;

(*ee*) The maintenance of a fixed place of business solely for the purpose of advertising for the supply of information, for scientific research or for similar activities which have a preparatory or auxiliary character for the enterprise.

(*c*) A person—other than an agent of independent status within the meaning of sub-paragraph (*d*)—acting in one of the Contracting States on behalf of an enterprise of the other Contracting State shall be deemed to constitute a permanent establishment in the first-mentioned State if he has, and habitually exercises in that State, an authority to conclude contracts on behalf of the enterprise, unless his activities are limited to the purchase of goods or merchandise for the enterprise.

(*d*) An enterprise of one of the Contracting States shall not be deemed to have a permanent establishment in the other Contracting State merely because it carries on business in that other State through a broker, a general commission agent or any other agent of independent status, where such persons are acting in the ordinary course of their business.

(*e*) The fact that a company which is resident in one of the Contracting States controls or is controlled by a company which is resident in the other Contracting State, or which carries on business in that other State (whether through a permanent establishment or otherwise), shall not of itself constitute either company a permanent establishment of the other.

5. The term "competent authorities" means, in the case of Greece, the Minister of Finance, and in the case of France, the Minister of Finance and the Minister for Economic Affairs, or their duly authorized representatives.

6. In the application of this Convention by one of the Contracting States, any term not defined in the Convention shall, unless the context requires otherwise, have the meaning which it has under the laws in force in that State relating to the taxes which are the subject of this Convention.

Article 3

1. Income from immovable property may be taxed in the Contracting State in which such property is situated.

2. The term "immovable property" shall be defined in accordance with the laws of the Contracting State in which the property in question is situated. The term shall in any case include property accessory to immovable property, livestock and equipment of agricultural and forestry enterprises, rights to which the provisions of general law respecting landed property apply, usufruct of immovable property and rights to variable or fixed payments made as consideration for the working of mineral deposits, mineral springs and other natural resources ; ships, boats and aircraft shall not be regarded as immovable property.

3. The provisions of paragraphs 1 and 2 above shall apply to income derived from the direct use, letting or leasing or use in any other form of immovable property, including income from agricultural or forestry enterprises. They shall likewise apply to profits from the alienation of immovable property.